

EXHIBIT B

PRC 8674.1

STATE LANDS COMMISSION

STATE OIL AND GAS LEASE

- ASSIGNMENT FORM -

Capitol Oil Corporation, a California corporation (Assignor), as holder of an undivided forty percent (40%) interest in State Oil and Gas Leases PRC 8674.1, assigns all of its undivided right, title and interest under said lease to **ABA Energy Corporation**, a California corporation (Assignee).

Assignee accepts the assignment of this lease and agrees to perform in the manner provided in the lease conditions, covenants and agreements to be kept and performed by the Assignor, and to be bound by the terms of the lease, including any modifications and collateral agreements, to the same extent as the Assignor.

ASSIGNOR:

Capitol Oil Corporation
3840 Watt Ave, Bldg. B,
Sacramento, California 95821

ASSIGNEE:

ABA Energy Corporation
P. O. Box 80476
Bakersfield, CA 93380-0476

By: _____
Stephen D. Brooks
President

By: _____
Alan B. Adler
President

Date: _____

Date: _____

- ACCEPTANCE FORM -

At its meeting on _____, the State Lands Commission approved the Assignment from **Capitol Oil Corporation** (Assignor) to **ABA Energy Corporation** (Assignee) of State Oil and Gas Lease PRC 8674.1.

This approval was given upon the following conditions:

1. This assignment shall not release the Assignor from any obligation to the State Lands Commission under the lease, any conditions in the assignment agreement to the contrary notwithstanding.
2. The Assignee shall be bound by the terms of the lease, including any modifications and collateral agreements, to the same extent as the Assignor, any conditions in the assignment agreement to the contrary notwithstanding.
3. This assignment is made pursuant to Public Resources Code section 6804; this assignment shall take effect on _____.

STATE LANDS COMMISSION

By: _____
Paul B. Mount II
Chief, Mineral Resources Management Division

Date

All signatures must be acknowledged